

Public

Environmental and Social Data Sheet

Overview

Project Name:	ZAGREB EAST REGIONAL WATER SUPPLY (SPL 20140375)
Project Number:	20180543
Country:	Croatia
Project Description:	The project covers the eastern part of Zagreb county and aims at achieving compliance with the Water Framework and the Drinking Water Directives by tapping new resources of water supply as well as by extending and reconstructing distribution networks, thus increasing household connections from 63.5% to 90.7% and reducing water losses from 29.2% to 18.5%
EIA required:	yes
Project included in Carbon Footprint Exercise ¹ :	no

Environmental and Social Assessment

Environmental Assessment

- The project covers the defined “Zagreb East” water supply area that comprises the four territories currently served by independent water supply systems Dugo Selo, Vrbovec, Ivanic Grad and Sveti Ivan Zelina. The area has a total population of around 105,000. The project Beneficiary is the municipal owned service provider Vodoopskrba i odvodnja Zagrebačke županije (VIOZZ) that provides water supply and wastewater services in the area. At present, the coverage of the potable water supply system is extended to 82 % of the population residing in the area, while some 63.5 % are connected to the municipal water distribution system. With the exception of the Dugo Selo supply area, supplies in the remaining three areas covered by the proposed project are stated as not meeting requirements of the Drinking Water Directive (1998/83/EC). Water resource development, extension and rehabilitation of the water supply system (mainly in the Vrbovec and Sveti Ivan Zelina) will ensure comprehensive coverage and will secure reliability, quality and quantity of water supply in the region.
- The proposed project comprises development of a new wellfield at Kosnica, the main transmission network as well as the extension / rehabilitation of the water supply system. As a result of the project, the household connection rate will increase from 63.5 to 90.7 % and the water losses are expected to decrease from 29.2 to 18.5%.

¹ Only projects that meet the scope of the Pilot Exercise, as defined in the EIB draft Carbon Footprint Methodologies, are included, provided estimated emissions exceed the methodology thresholds: above 20,000 tons CO2e/year absolute (gross) or 20,000 tons CO2e/year relative (net) – both increases and savings.

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The main objective of the proposed project is to meet the required standards under the Drinking Water Directive (1998/83/EC) to areas of more than 50 inhabitants or where water consumption exceeds 10 m³/day. The project will contribute to increasing service levels in terms of efficiency and reliability of the drinking water supply in Zagreb East area, contributing also to Croatia's long-term economic development.

- The Constitution of the Republic of Croatia defines water a resource of particular interest for which special protection regulations apply. The primary legislation related to the water sector includes the following acts: The Environmental Protection Act, The Water Act and The Water Management Financing Act. In addition to these acts, there are approximately 40 subordinate water management acts. The legal framework for water management complies with the EU Acquis.
- The project stems from and is consistent with the River Basin Management Plan (RBMP), approved in 2016, and which covers both Danube River and the Adriatic basins, and aims to ensure transposition of the definitions and objectives of the Water Framework Directive. The Strategic Environmental Impact Study, compliant with the SEA Directive (2001/42/EC), was undertaken for the RBMP.
- The groundwater abstraction falls under Annex I point 11 of the EIA Directive (2014/52/EU amending Directive 2011/92/EC). The non-abstraction parts of the project falls under Annex II point 10.b of the Directive. However, all project components (water abstraction, treatment, long distance water supply pipelines and the network) were covered by the EIA procedure. The procedure was published on 17 June 2016 on the website of the Ministry of Environmental Protection and Energy (MoE) as required by the law. The entire EIA Report was made available to the public during consultations. The MoE issued the EIA Decision (Class UP/1-351-03/16-02/58, Ref. 517-06-2-1-2-17-20) on 12 January 2017. No comments, proposals or opinions were received during public consultation. A number of measures are included in the EIA Decision and are embedded in the project cost. The EIA is available through the website of the MoE and was published on the EIB website <https://www.eib.org/en/registers/all/141837930>.
- All location permits and the majority of construction permits were already issued. It is noted that some of them were issued before the EIA procedure was concluded. As required by the Action Plan set for the fulfilment of the EIA/SEA (in the format agreed with the Commission services), the compliance of the environmental procedures was checked by the MoE.
- The overall environmental impact of the project is positive, as it will contribute to implementation of the Water Framework Directive (2000/60/EC) by strengthening the physical and biological integrity of aquatic ecosystems through water supply system reconstruction and reducing water losses in the network. There may be some negative impacts arising from the construction process (noise, traffic, dust), but most of these will remain temporary.
- There are no Natura 2000 sites in the project area; however, an Appropriate Assessment (AA) screening procedure concerning the construction of Kosnica water supply wells and long distance pipelines have been carried out by the competent authority (the MoE) in order to assess the impact on several Natura 2000 sites located in the downstream Sava river. During the AA screening it was concluded that impacts to the common water table are not noticeable beyond a radius of 2 to 3 km from the abstraction area. The procedure has been published, and public consultations were carried out. The AA decision has been issued by the MoE on 6

Luxembourg, 12.07.2021

July 2014. The cumulative impacts have been reviewed through the EIA mentioned above, and mitigation measures have been proposed. The overall conclusion is that the project in question is not likely to have significant negative impact on the relevant Natura sites.

Social Assessment

- Social impacts during construction, demolition or rehabilitation works include the disruption to services, noise, and temporary occupation of private space, traffic disruptions, and safety hazards. All these impacts will require project management measures to minimise disturbance, inconvenience and impacts.
- The positive social impacts of the project are the improvements in public health as well as the job opportunities created during the implementation.

Public Consultation and Stakeholder Engagement

- All relevant public consultations were carried out during the AA and EIA processes.

Other Environmental and Social Aspects

- A Project Implementation Unit (PIU) is already established by the VIOZZ. Technical assistance is made available to support the PIU in the preparation and implementation of the project, including the setting up an environmental and social monitoring and reporting system.

Conclusions and Recommendations

This operation is fully driven by compliance with the relevant EU environmental directives and public health considerations. Overall, the project will generate positive impacts on the environment and it will also provide long-term socio-economic benefits to the local population in the form of employment opportunities and improved quality of life.

In view of the above findings the project is acceptable for EIB financing from the perspective of environmental and social compliance.